21 July 1965

Briefing for DD/S and ADD/S - 23 July

Classification and Reorganization Problems

Problem

1. Reorganized functionally

2. Called for reclassification of new organization

3. In general agreement on:

PPS (Policy and Planning Staff) although we believe position is higher grade.

PSAD (Proprietary Systems and Accounts Div.) O.K. except 2 jobs - Systems Chief and CPA accounting firm.

Monetary - O.K.

ICAD - O.K. (Except could some day be 17)

Support Staff - O.K. for **present**.

C&T (Compensation and Tax Div.) Not satisfied with top job or agent payroll.

C&L (Certification and Liaison Div.) generally unsatisfactory.

Accounts Div. - generally unsatisfactory.

What we are doing about it

4. Describe our present planned approach.

Career Service Problem

1. Grades 13, 14, 15, 16 & 17 all up to ceiling with very little opportunity

for change now.

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Career Service Problem (Cont'd)

3. Bad hump in GS-13's - need more 14's.

4. Unless classification changes their sights we will and do have a rotational problem - 3 in GS-13's -7 in GS-11's + 12 GS-7's

5. Explain situation on B&F jobs in DD/P.

    a. Our compliance with Clarke's plea to fill with strength.

    b. Our survey findings.

    c. Wage & Class attitude - no support from DD/P or DD/S or Clarke - What to do next?

Training

Accounting Problems

1. Simplification problems:

    a. Class C Accounts

       Proposed optional obligation procedure.

    b. Class III Inventory procedure.

    c. Combining of accounts and records for vouchered and unvouchered funds:

       (1) 1st step was combining Confidential Funds Div. and Fiscal Div.

       (2) 2nd step - single allotment system and central control of allotments.

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Accounting Problems (Cont'd)

      (3) 3rd step - paper to Director for approval of combining accounting records into one system.

      (In same paper we proposed change in certificate to expenditures but this is a separate problem not related to simplification of accounting system).

FMI Rpt
Cost Rpt

2. Objective is eventually to prepare budget schedules by computer.

3. Objective of capturing information overseas on tape and transmitting information back to field by computer.

4. Simplify flow of documents and handling of documents between log and other Government agencies and ourselves; volume is terrific and biggest volume of documents is in this area.

   Logistics resources study is approach to this ███████ STATINTL

   We are charting the flow - we are attempting to reduce the MILSTRIP problems.

5. Proprietary Accounting Problems

   a. Development of regulations and where possible make consistent with Government Control Act.

   b. Obtain some firm rules concerning such things as transfer of monies between projects (use recent $75,000 as example).

   c. Considering combining ████████████████ and objective is STATINTL

   to be given responsibility for monitoring the compliance with

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5. Proprietary Accounting Problems (Cont'd)

proprietary budgets - also becoming center of for

proprietary information.

STATINTL
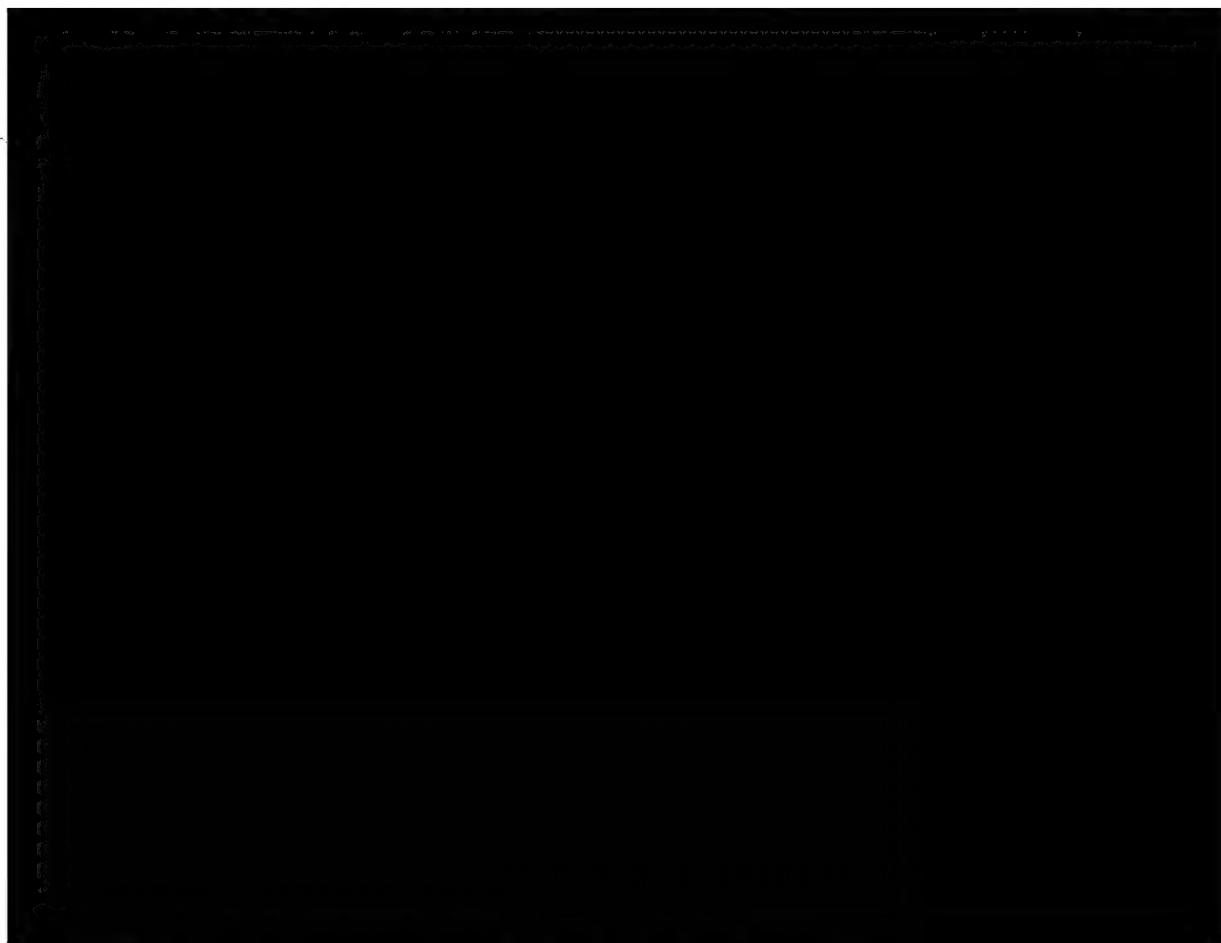
h. Will take part more often in liquidation of projects.

i. Field trips are essential.

j. Need to firm up investment and also loan policy for proprietaries.

k. Improve timeliness of proprietary reporting.

l. Attempt to standardize approximately 80% of Admin Plan provisions

so they can become part of regulations.

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Certification and Liaison Problems

STATINTL

STATINTL

2. Consideration of further decentralization of certification to components.

3. Statistical sampling in voucher audit.

4. Survey of decentralized certification procedures and practices - describe responsibility for monitoring.

5. Also as in accounts flow of documents timeliness, accuracy both from Log and other Government agencies is a problem (matching receiving, reports against purchase orders and vouchers.)

6. Errors in travel voucher preparation is a problem - we intend to tackle by providing training facilities for secretaries in preparation of those vouchers that don't go to Central Travel Br.

7. Not satisfied with procedures for leaving the Agency - still too many get out owing us money.

8. Despite establishment of Committee to provide agents in their contracts with non-accountable allowances rather than actual accountings the change is moving too slowly and we should and are considering trying to treat certain major problem areas such as Log as on a priority immediate basis rather than wait for renewal of contracts.

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Compensation and Tax (Cont'd)

there is less incentive on part of RCA personnel to make progressive changes - attitude is somewhat "What's the use! Might as well wait until IBM equipment is installed."

3. Will consider sending pay checks to banks and homes - believe this could result in less loss of productive time of employees who go to credit union to cash checks all on one day creating lines and taking more time than if spread out.

4. Low grades a problem in retaining personnel - yet complexities of payrolling are growing.

Tax problems - Tax committee   *CIA Retirement Fund Investment*

Industrial Audit

1. Faced with increasing work and no increase of personnel.

2. Must place more emphasis on audits of cost, but problem is how to spread the personnel to accomplish this.

General Problems

1. Continue to take short cuts and make improvements that will permit application of saved man hours to increased work load.

   (Doubt that very many can show a record such as Office of Finance where work load from 1957 to 1964 has increased:

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General Problems (Cont'd)

Vouchers and Accountings	74.2 %
Disbursements	347 %
Bank Accounts	160 %
Employees Payrolled	7 %
Industrial Contracts	194 %

yet we have a net decrease during same period of 7 personnel positions.
Also, decreased 12 positions in 1965 and will decrease 6 more in
1966 or a total of 25 positions despite increase of terrific proportions.

Labor saving — (1) draw proportion
(2) messenger service